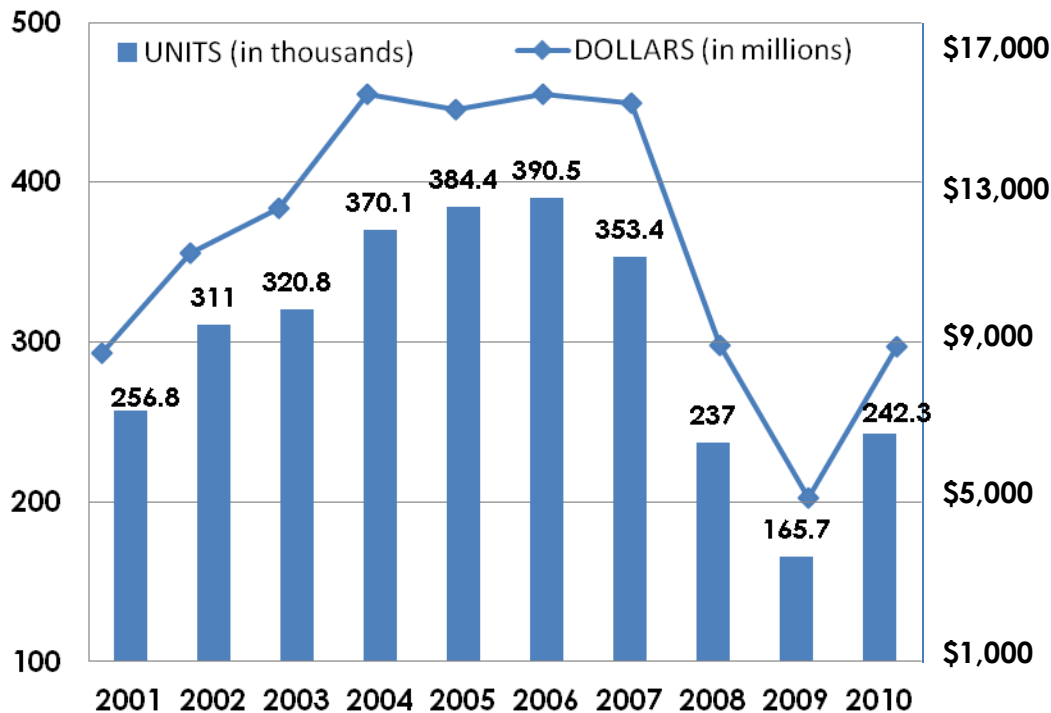


IEDC BOARD OF DIRECTORS

3.22.2012

INDIANA LEADS RV INDUSTRY



Indiana is the U.S. leader manufacturing 83.2% of RVs in 2010, an increase from 68.4% in 2006.

Oregon ranks 2nd with 5.5% of total production.

In 3rd is California (2.6%), dropping from 2nd place in 2006.

Idaho (1.9%) and Michigan (1.6%) rank 4th and 5th respectively.

FLEETWOOD RV

HEADQUARTERED IN DECATUR, IND.

- ▶ In 2009, under the company's new ownership, Fleetwood announced plans to consolidate its California and Pennsylvania manufacturing operations to Decatur, creating up to 935 new jobs.
- ▶ Plans called for \$7.4 million in new investment toward building improvements, machinery and equipment and retooling. The company relocated \$8 million in equipment from out-of-state operations.
- ▶ The company continues to exceed expectations and has created more jobs than projected in 2009.

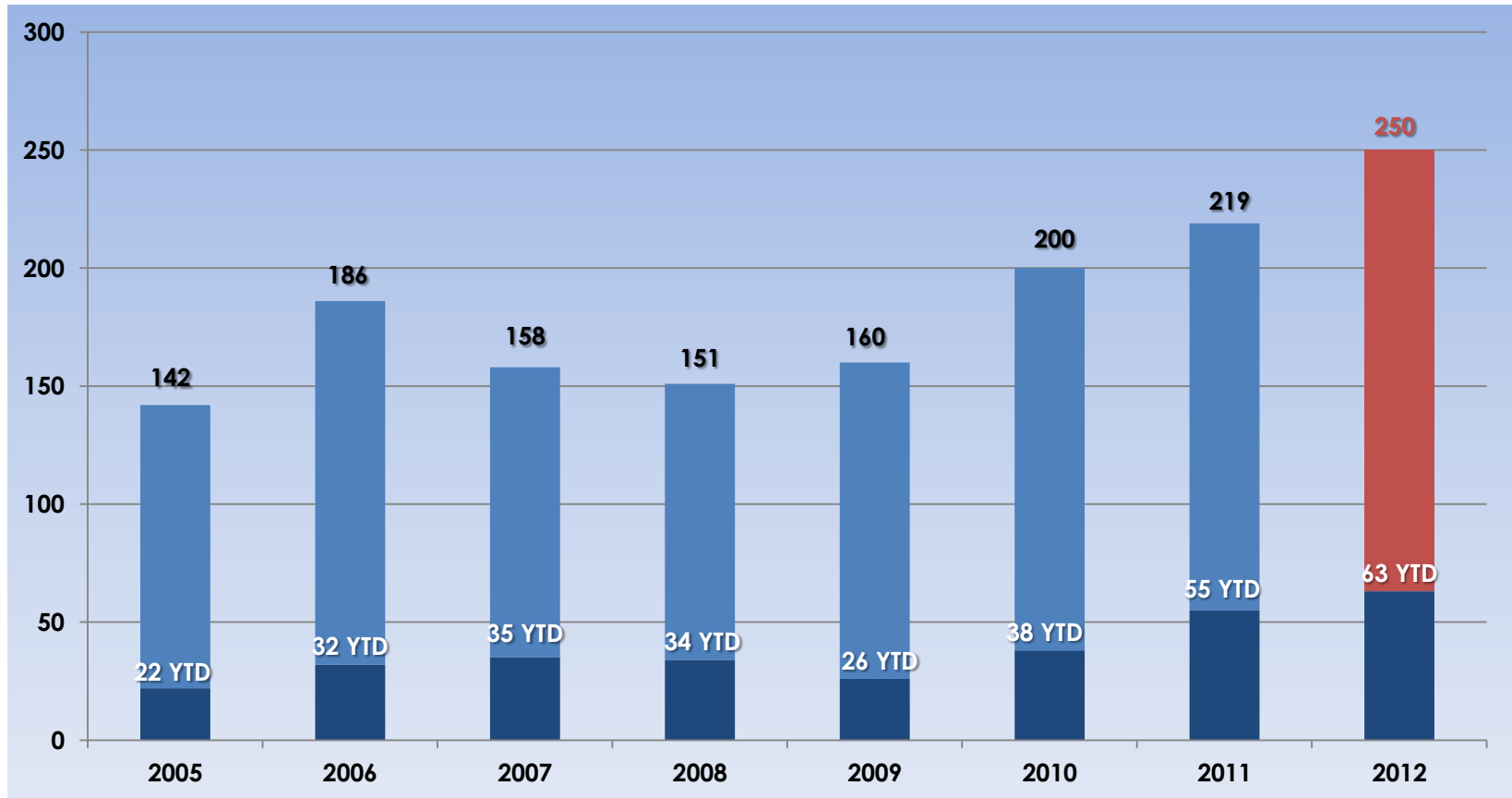


In Aug. 2009, Governor Daniels joined Fleetwood RV executives to announce the restart of RV production at its Decatur facility, creating up to 935 new jobs.

“The decision to establish our company headquarters in Decatur was two-fold. First and most importantly, was the high-caliber workforce in the area, and the second was the cooperation from the state and city to develop a plan that would be best for the company, the local community and the RV industry as a whole.”

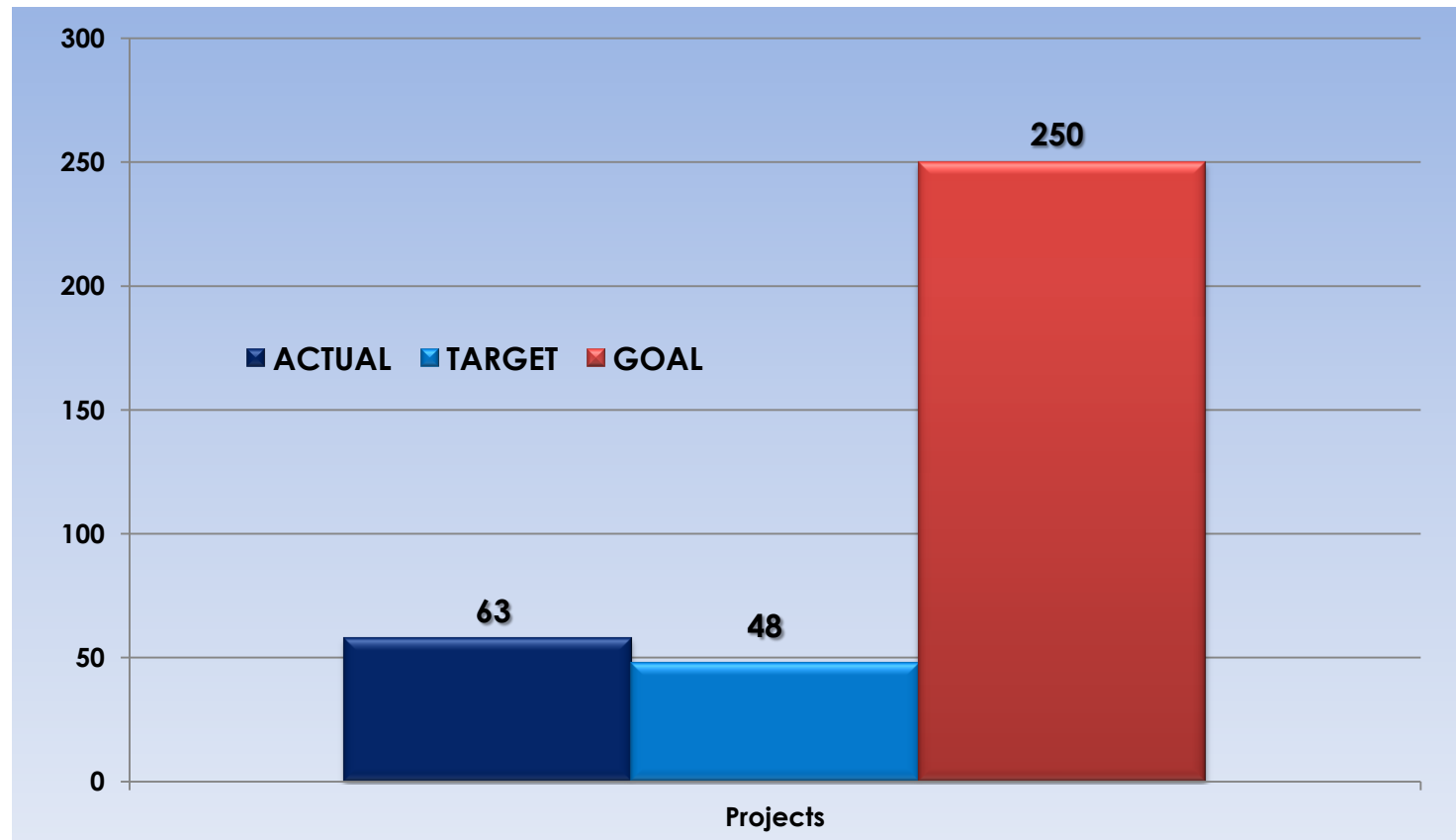
- John Draheim, president of Fleetwood RV

TOTAL COMPETITIVE PROJECTS

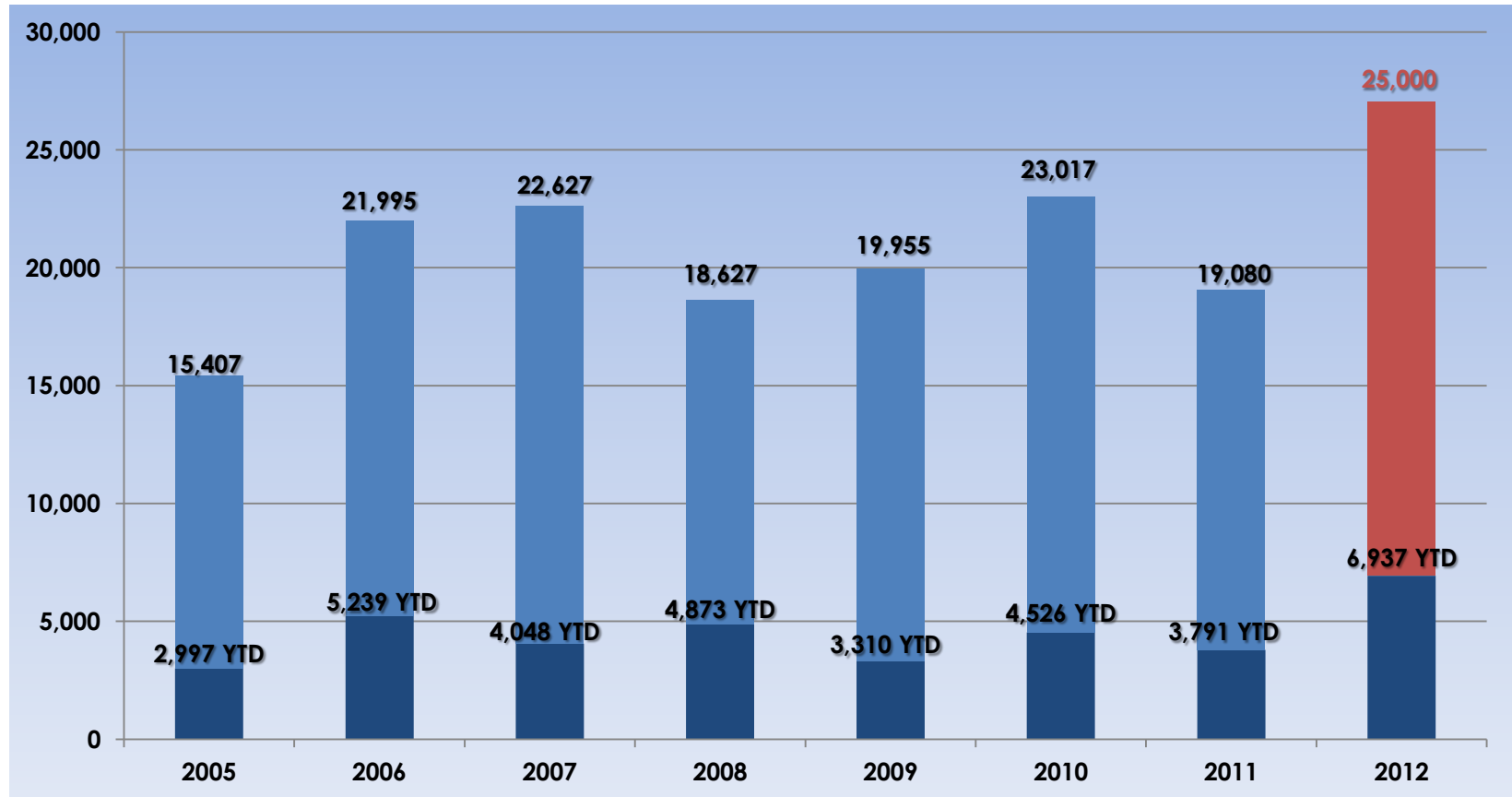


12 MONTH GOALS

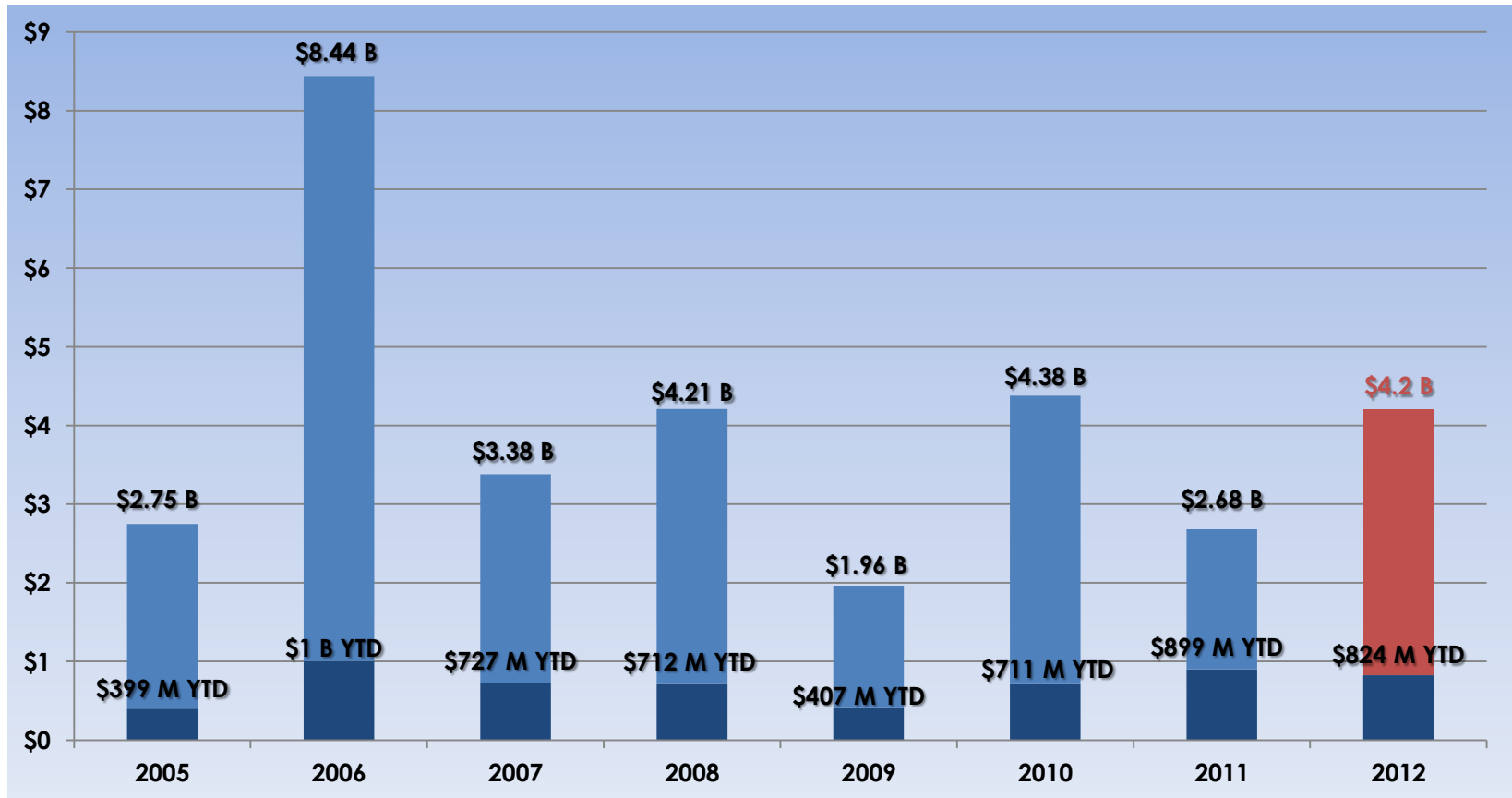
12 MONTH PROJECT COMMITMENT GOALS (JAN.1-DEC. 31, 2012)



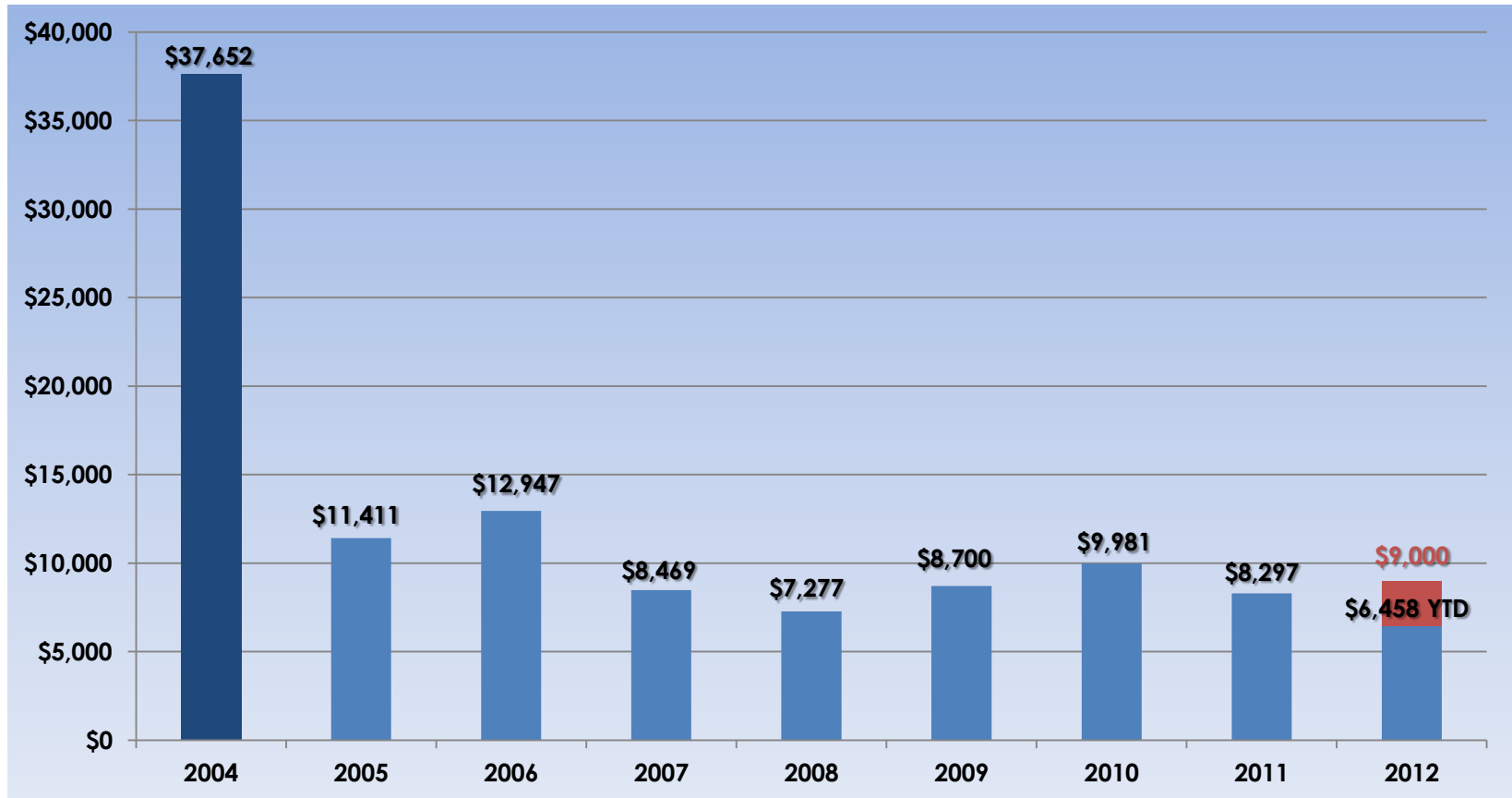
PRIVATE SECTOR JOB PROJECTIONS



PRIVATE SECTOR INVESTMENT PROJECTIONS



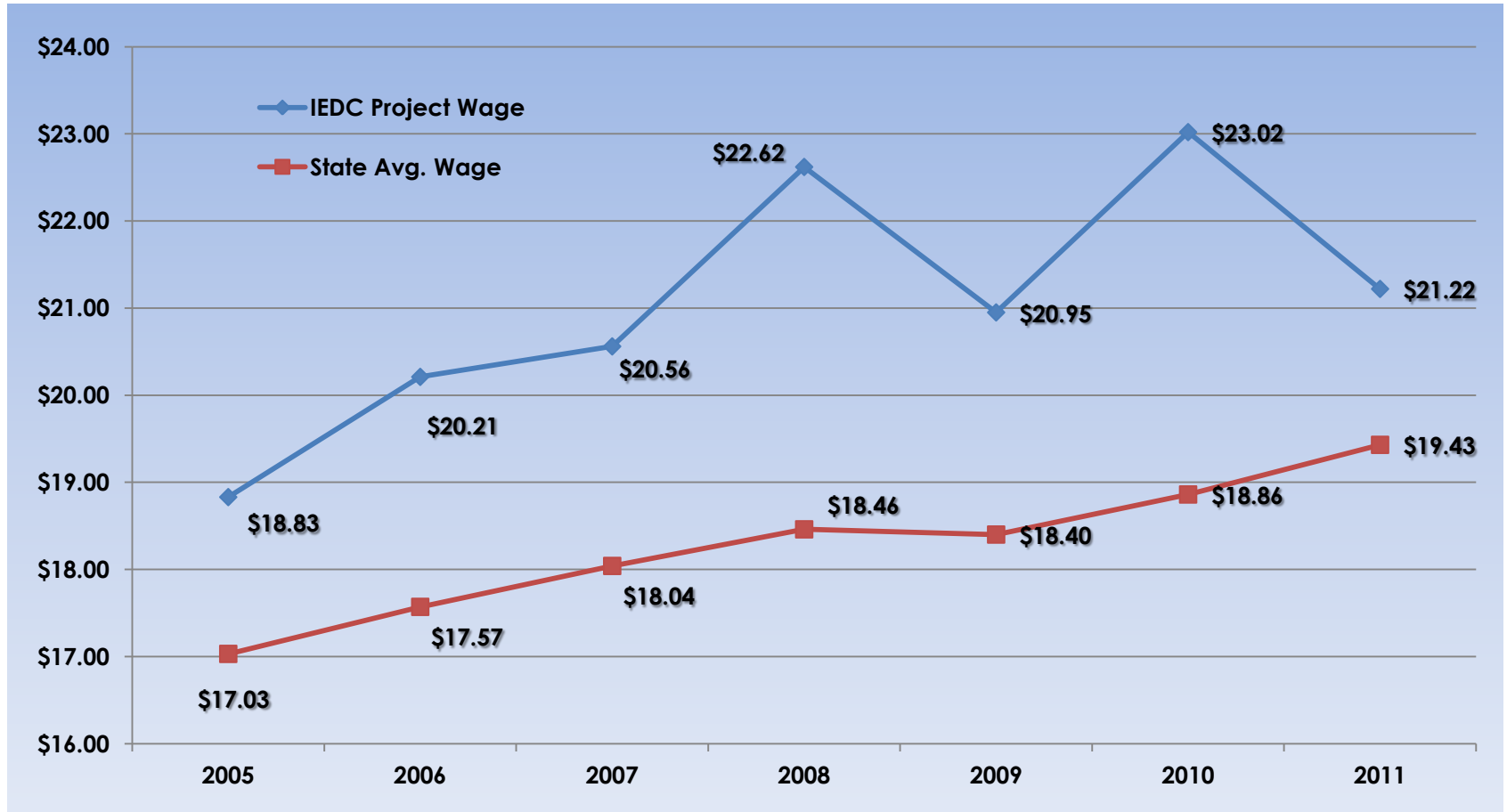
CONDITIONAL INCENTIVES PER JOB



Goal

As of 3.20.2012

HOOSIER AVERAGE WAGE



PROJECT WIN REPORT

NANTWORKS, *TERRE HAUTE*

- ▶ A California-based pharmaceutical company founded by Dr. Patrick Soon-Shiong that will produce critical care injectable and oncological drugs.
- ▶ 234 projected new jobs
- ▶ \$85.5 million capital investment
- ▶ **Key Deal Factors:** Vigo County granted the company the former Pfizer Exubera building in Terre Haute for \$1 as part of its incentives package. The company was interested in this facility due to its Current Good Manufacturing Practice status and the clean room space for the company's drug production.



DR. PATRICK SOON-SHIONG

CHAIRMAN & CEO, NANTWORKS

- ▶ Soon-Shiong has previously developed two pharmaceutical companies addressing the unmet needs of critically ill patients.
- ▶ Soon-Shiong's injectable drug company APP was the nation's only safe source of heparin during a supply crisis in 2008 and his biopharmaceutical company Abraxis Bioscience developed the world's first protein nanoparticle cancer drug for breast cancer.
- ▶ Soon-Shiong sold these companies in 2008 and 2010, raising several billion dollars to pursue his vision of personalized medicine.



FORBES

- ▶ #127 Forbes Billionaires
- ▶ #44 in United States
- ▶ #39 Forbes 400

PROJECT LOSS REPORT

GE CAPITAL, *INDIANAPOLIS*

- ▶ An attraction opportunity for the GE Capital IT Center of Excellence.
- ▶ 300 projected new jobs (high average wage)
- ▶ \$21 million capital investment
- ▶ Company considered numerous markets with finalists being Indianapolis and New Orleans.
- ▶ **Key Deal Factors:** Louisiana provided \$10.7M upfront cash and \$5M (\$500k/yr. over 10 years) in training support for \$52K/job. Indiana offered \$5.75M in EDGE & \$78K of training for \$19.4K/job.

COMPLIANCE REPORT

AMOUNT PURSUED

\$ Collected

Performance Workout

Unrecoverable

In Collection

Receivable

(projects originating 1994 to present)

IN MILLIONS

\$12.3 (< 2% of our awards)

\$ 4.5*

\$.5

\$ 3.0

\$ 3.9

\$.4*

**Includes Whirlpool (Evansville) repayment of \$800,000*

ISBDC DISASTER RECOVERY EFFORTS

A PROJECTED 30 BUSINESSES WERE AFFECTED BY THE RECENT TORNADOS.

- ▶ FEMA and the IDHS will be referring business owners to the Indiana Small Business Development Center (ISBDC) for business recovery assistance.
- ▶ ISBDC advisors consulting on rebuilding businesses effectively and staying connected to customers.
- ▶ Disaster recovery and preparation videos, developed by the ISBDC and the IDHS, are available on the ISBDC YouTube page.



Business Owners:

Receive No Cost Disaster Recovery Business Consulting

The Indiana Small Business Development Center provides no cost business consulting to help those affected by the recent tornadoes in Southern Indiana.

For Assistance:

Contact Fran Valentine at fvalentine@isbdc.org or 317-234-2082

<http://www.isbdc.org/>

Video Resources:

Using Social Media to Stay Connected to Customers After a Disaster

<http://links.isbdc.org/disastercommunication>

Prepare Your Business for a Disaster

<http://links.isbdc.org/disasterrecovery>

Funded in part by:



This cooperative agreement is partially funded by the U.S. Small Business Administration. SBA's funding is not an endorsement of any products, opinions or services. SBA funded programs are extended to the public on a non-discriminatory basis.

SUPER BOWL 2012

ACTIVITIES



- ▶ **80 prospective companies engaged** at several events including a reception and the game.
- ▶ The IEDC sponsored ads on 33 city buses, 23 posters and billboards throughout the city.
- ▶ The IEDC had booths at Million Air Airport and an IEDC packet was placed in the seatback pocket of private jets leaving the city.

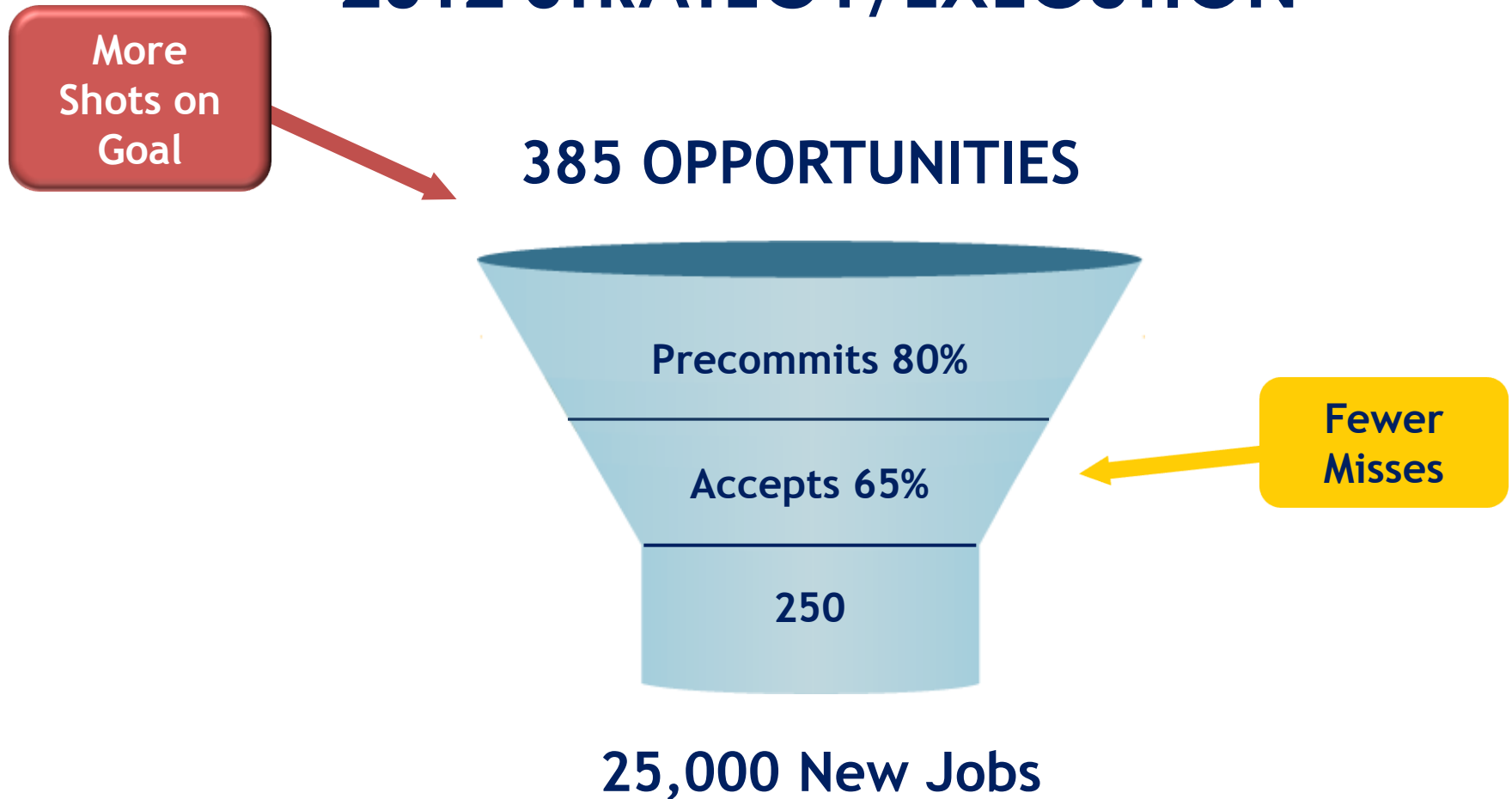
RESULTS

- ▶ Nantworks (Terre Haute): 350 new jobs; 85.5 million investment
- ▶ Crossroads RV (Topeka): 250 new jobs; \$3.9 million investment
- ▶ Alcoa Lafayette Operations (Lafayette): 75 new jobs; \$65 million investment
- ▶ Two more projects to be announced in the coming weeks.

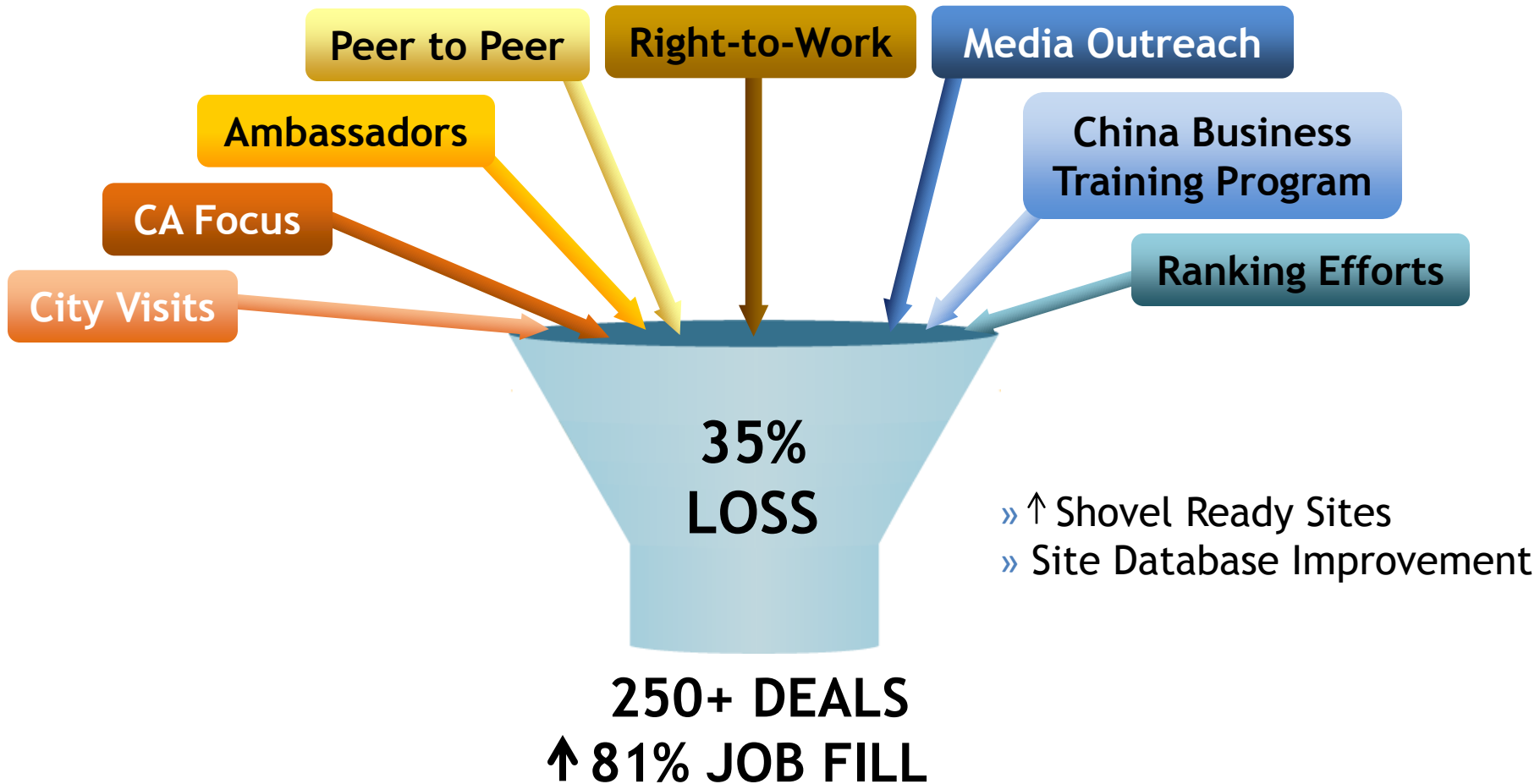


A DNR employee shows Governor Daniels a bald eagle at the governor's Super Bowl reception at the Governor's Residence.

2012 STRATEGY/EXECUTION

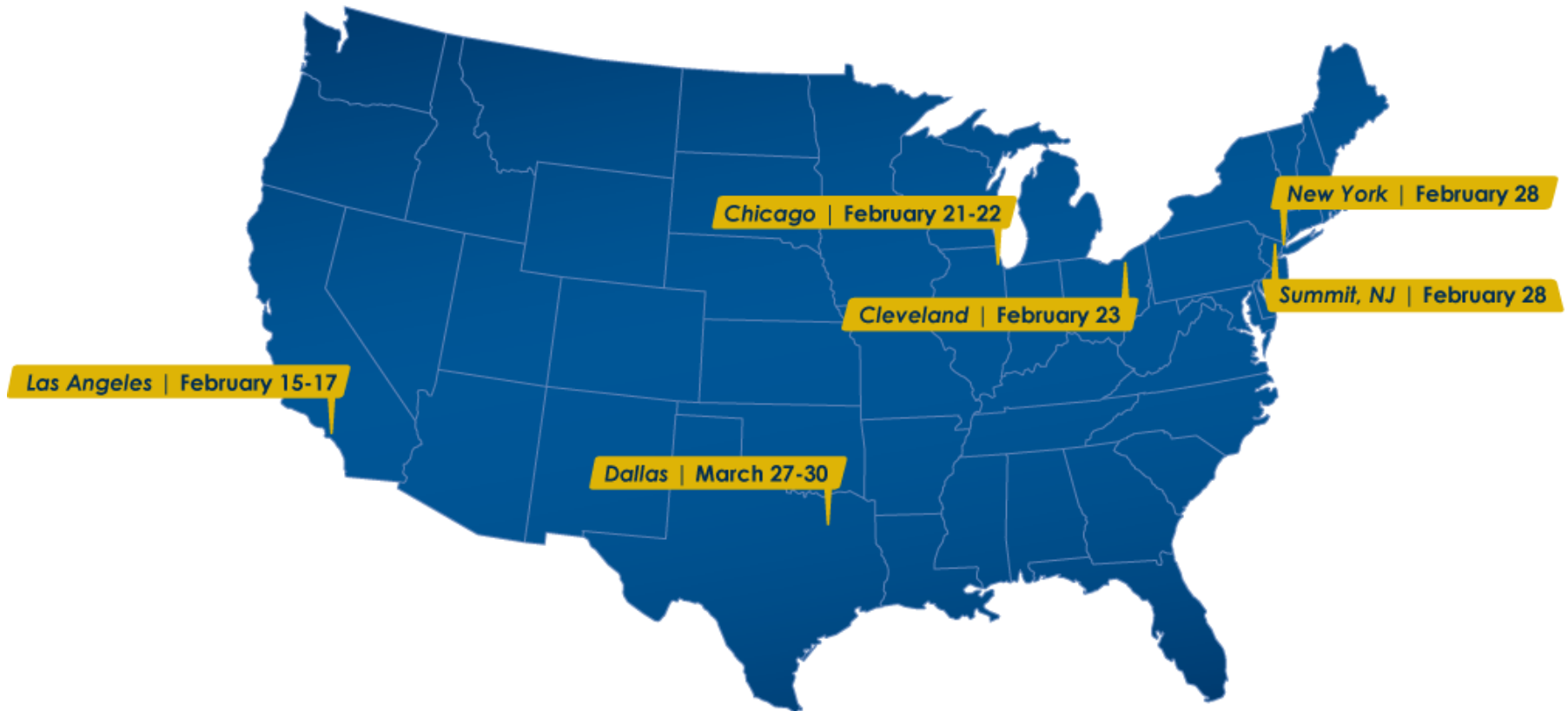


2012 STRATEGY MAP



FILLING THE PIPELINE: CITY VISITS

POST SUPER BOWL CITY VISITS WITH MORE THAN 100 SITE
SELECTION CONSULTANTS



FILLING THE PIPELINE: MEDIA OUTREACH

CALIFORNIA FOCUS

Digital Campaign: Jan. 19-March 23

- ▶ Bloomberg.com
- ▶ BusinessWeek.com
- ▶ Morningstar.com
- ▶ TheStreet.com
- ▶ WSJ.com
- ▶ Los Angeles Business Journal

Results

- ▶ 6,109,356 impressions delivered so far (sets of eyes on our ads)
- ▶ 14,831 clicks on our ads for a **.24%** click rate
- ▶ 2 leads

*For reference: the national standard click rate on ads is **.05%**, for the government sector it is **.09%**, and for our Illinnoyed campaign with Crains Chicago Business it was **.22%**!*



FILLING THE PIPELINE: PEER TO PEER

INDIANA AMBASSADORS- PILOT

The Program

The Indiana Ambassadors program is designed to encourage California business leaders to advocate Indiana as a great place to do business. These Ambassadors will connect the IEDC business development team with individuals within their networks interested in moving jobs to Indiana.

The Incentive

The program will provide a payout equal to \$100 per job (up to \$10,000) that will be awarded to a university scholarship fund in the name of the Ambassador when the Ambassador identifies a lead that results in contracts.



Sponsored by Duke Energy in Partnership with Purdue & Indiana Universities.

FILLING THE PIPELINE: PEER TO PEER

INDIANA AMBASSADORS- PILOT

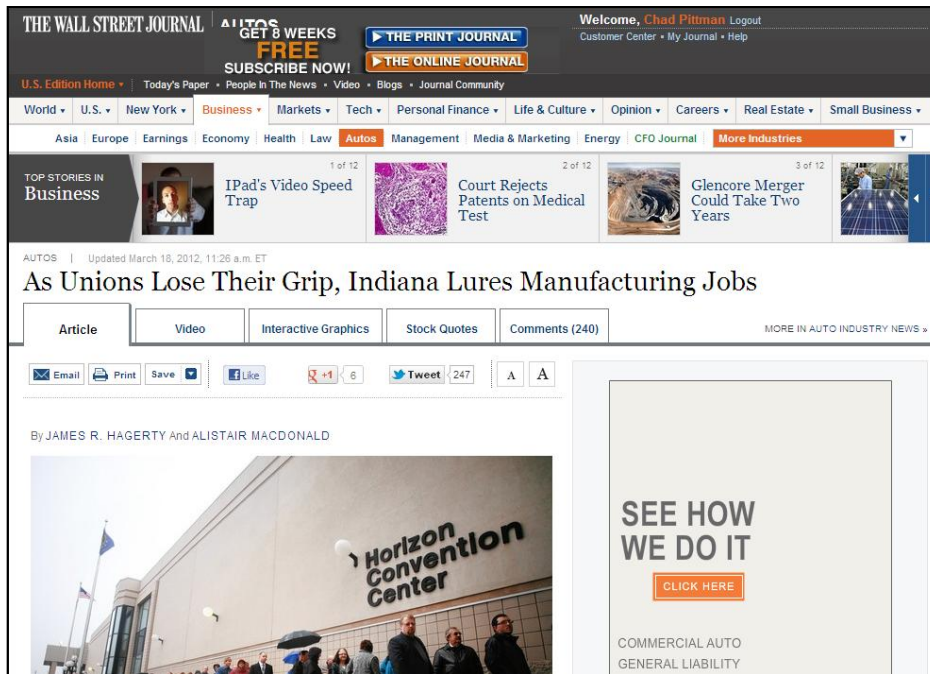
The Ambassadors

- ▶ **Targeted participants** - High level executives or alumni of Purdue and Indiana University who have a broad network of decision makers at companies and who will have early information on when companies are looking to expand or move operations.
- ▶ **Lead generation** - Ambassadors must have direct one-on-one engagement with potential leads.
- ▶ **Marketing** - Potential Ambassadors will be nurtured through a Purdue/IU email drip campaign and the inclusion of Indiana Ambassador information in IEDC marketing and advertising materials.



Sponsored by Duke Energy in Partnership with Purdue & Indiana Universities.

FILLING THE PIPELINE: MEDIA OUTREACH



WALL STREET JOURNAL

SATURDAY, MARCH 17, 2012

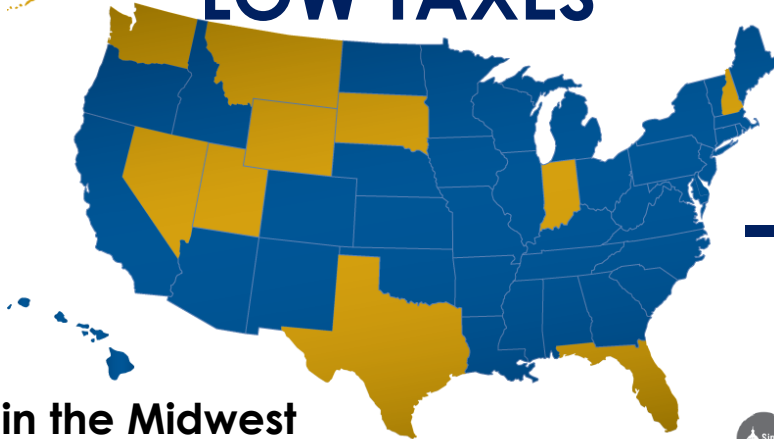
The results of Indiana's efforts to attract manufacturing jobs are encouraging so far. The number of Indianans employed in manufacturing at the end of 2011 was up 7.6% from two years before to 472,500, compared with a 3% rise nationally, after plunging during the recession. Over the past decade, Indiana's performance has been better than other Rust Belt states. Its manufacturing employment is down 20%, compared with drops of 26% in Illinois, 29% in Ohio and 35% in Michigan, according to data from Moody's Analytics.

"Our challenge as a state is to stand apart from our Midwestern colleagues. Our goal in Indiana is really pretty simple: It is to help companies improve profitability."

-Dan Hasler

FILLING THE PIPELINE: RANKING EFFORT

BEST IN MIDWEST FOR LOW TAXES



**1st in the Midwest
and 11th nationally**

Illinois (28th), Kentucky (22nd),
Michigan (18th), Ohio (39th)

TAX
FOUNDATION
Since 1957
January 2012

HIGHLIGHTED IN LAST WEEK'S
THE WALL STREET JOURNAL

Hoosier Snapshot

How Indiana compares with its neighbors in some key economic measures:

| | Ill. | Ind. | Mich. | Ohio | Pa. |
|--|------|------|-------|------|------|
| Unemployment rate (January) | 9.4% | 8.7% | 9.0% | 7.7% | 7.6% |
| Tax burden ranking (Higher ranking means lower burden) | 28 | 11 | 18 | 39 | 19 |
| Moody's credit rating | A2 | AAA | Aa2 | Aa1 | Aa1 |

Sources: Labor Department; Tax Foundation State Business Tax Climate Index; Moody's Investors Service

The Wall Street Journal

23rd Right-To-Work State
 First state to enact such a law in 10 years and the only state in the mid-to upper-Atlantic region.



23rd Right-To-Work State
First state to enact such a law in 10 years and the only state in the mid-to upper-Atlantic region.

RIGHT-TO-WORK RESULTS

SINCE THE PASSAGE OF THE NEW LEGISLATION:

- ▶ 33 companies have communicated to the IEDC that Indiana's enactment of right-to-work will factor into their decision-making process of where to locate current projects.
- ▶ 27 of these projects have progressed to the pipeline stage and account for more than 3,300 new jobs and \$711 million in investment (\$21.73 hr./avg.).
- ▶ Of these 27 companies, 5 companies have already accepted the IEDC's offer.

FILLING THE PIPELINE: PEER-TO-PEER

*There are literally hundreds of reasons successful companies base their business operations in Indiana. The “**100 Reasons: Indiana**” campaign will draw attention to the top 100 factors Indiana works for business.*

REASONS: By soliciting our partners, businesses and community, we’ll learn the reasons Indiana works for them! We will vet those through internal and external committees, narrowing the list to the top 100 Reasons.

WEB: The campaign will include a web page component where the list will be housed. The page will have its own innovative look and feel – unlike anything else the IEDC has done. The IEDC will provide partners who submit their reasons with a web banner and printable icon they can add to their homepage and promotional materials.

SOCIAL: We’ll ask the community – through Facebook and Twitter – to share their reasons Indiana works for them. We will post to Facebook / Twitter photos of community / government leaders, business owners, etc – who’ve written their favorite reason on the white board for a photo.

TIMING: We began soliciting reasons in early March with an expected external launch date of April 23.



2012 LEGISLATIVE SUMMARY

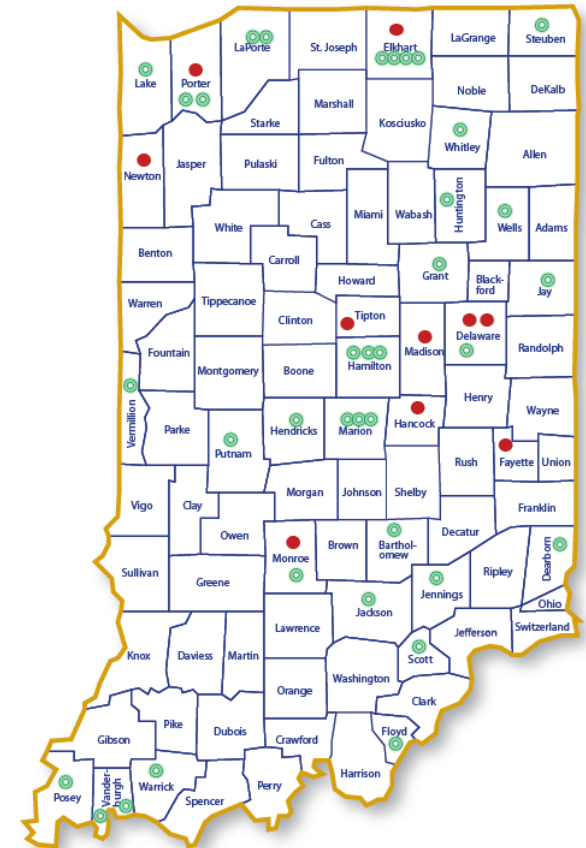
ECONOMIC DEVELOPMENT LEGISLATION:

- ▶ Right-to-work
- ▶ Extension of HBI Tax Credit and Venture Capital Tax Credit through 2016
- ▶ New interim legislative study to review effectiveness of all income tax credits
- ▶ Expanded flexibility of the property tax exemption for IT equipment (data centers)
- ▶ Smoking ban
- ▶ Inheritance Tax phase-out

ENERGY OVERVIEW

ENERGY PROJECTS: 2009-PRESENT

- ▶ Growing desire nationally to achieve greater energy independence (no different in Indiana).
- ▶ Opportunity to harness the federal stimulus experiment to create job opportunities for Hoosiers.
- ▶ Since 2009, the IEDC has been involved in 10 projects using U.S. DOE funding and 36 projects without.
- ▶ As of March 5, 2012 Indiana is one of only six states to have spent 90% or more of the federally-funded State Energy Program (SEP) allocation.



Projects with Federal Funding (10) ●

All Other Projects (36) ○

ENERGY OVERVIEW

IEDC ENERGY PROJECTS WITH FEDERAL STIMULUS FUNDS COMMITTED

| | |
|---|-----------------|
| Total Jobs Projected at FEY | 6,090 |
| Jobs Expected by 2011 | 1,812 |
| Jobs Created by 2011 | 507 |
| % Created | 28% |
| Federal Fund Requests | \$1,194,354,240 |
| Loan Guarantee | \$400,000,000 |
| Grants (including SEP) | \$97,830,978 |
| Total Conditional State Incentives Awarded | \$70,600,500 |
| Eligible Certified by 2011 | \$24,678,915 |
| Actual Certified by 2011 | \$6,327,962 |
| % Certified | 26% |

10 Projects (2009-Present)

- **Abound** (Solar Panels)
- **Brevini Wind** (Gear boxes)
- **Carbon Motors** (Police cars)
- **THINK** (Electric cars)
- **Bright Automotive** (Electric delivery trucks)
- **EnerDel** (Batteries)
- **Progress Rail** (Diesel-electric locomotive engines)
- **Fronius USA** (Solar inverters)
- **General Electric** (High-Efficiency Refrigerators)
- **Renewable Dairy Fuels** (CNG-powered distribution)

ENERGY OVERVIEW

IEDC ENERGY PROJECTS WITHOUT FEDERAL STIMULUS FUNDS

| | |
|---|--------------|
| Total Jobs Projected at FEY | 4,202 |
| Jobs Expected by 2011 | 3,566 |
| Jobs Created by 2011* | 2,345 |
| % Created | 66% |
| Total Conditional State Incentives Awarded | \$35,176,650 |
| Eligible Certified by 2011 | \$3,110,355 |
| Actual Certified by 2011 | \$1,156,695 |
| % Certified | 37% |

36 Projects (2009-Present)

Examples:

- **EarthCare Energy**
 - Generators
- **Windstream Technologies**
 - Wind turbines
- **Heritage-Crystal Clean**
 - Oil recycling
- **Creative Bus Sales**
 - CNG and propane conversion

*12 of the 36 companies have not yet reported 2011 job numbers while 7 of the 36 companies did not expect to create jobs by 2011.

ENERGY OVERVIEW

OBSERVATIONS

- ▶ Indiana companies incorporating federal stimulus into their business models have been less successful thus far.
- ▶ Well-established companies and companies whose business models include more than a single product or application tend to be more successful.
- ▶ These transactions have produced a realization rate of 53%, compared to IEDC's overall job realization rate of 81%.
- ▶ Conditional incentive programs are critical to providing protection for taxpayers.

IEDC BOARD OF DIRECTORS

3.22.2012